

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi [signature]
Chief Financial Officer

DATE: December 14, 2004

SUBJECT: Fiscal Impact Statement: "Ballpark Omnibus Financing and Revenue Tax Provisions Emergency Act of 2004"

REFERENCE: Draft Proposed Legislation – No Number Available

Conclusion

Funds are sufficient in the proposed FY 2005 through FY 2008 budget and financial plan to implement the proposed legislation which authorizes the Chief Financial Officer of the District of Columbia (CFO) to establish the Ballpark Revenue Fund and make the necessary preparations for collecting and processing sales taxes on tickets of admission, personal property and certain services at the proposed ballpark.

Background

The proposed legislation would provide immediate authority for the CFO to establish the Ballpark Revenue Fund, a non-reverting, non-lapsing proprietary account within the General Fund. The emergency legislation also establishes a new tax on the sale of tickets for professional baseball games and professional baseball-related events and exhibitions that occur at the Robert F. Kennedy Stadium (RFK) and at the proposed new stadium to be constructed at a later date. The new tax would also apply to sales of personal property and services at such games and events.

The revenues received from these taxes are to be deposited in the Baseball Revenue Fund. The legislation dedicates these revenues and any other funds deposited in the Baseball Revenue Fund to be used for the development, construction, maintenance and operation of the new ballpark, as well as improvements, maintenance and upgrades of the RFK Stadium related to baseball games and events.

The provisions of the emergency legislation are retroactive to December 1, 2004.

Financial Plan Impact

The proposed FY 2005 through FY 2008 budget and financial plan has sufficient resources to implement the provisions of the proposed legislation. The allocation and transfer of funds to the accounts and sub-accounts associated with the development and construction of the new ballpark and the renovation and up-grading of RFK Stadium will be contingent on the realization of proceeds from the new revenues and sources of funds authorized by this legislation.